



**తెలంగాణ రాజ పత్రము**  
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**NOTIFICATIONS BY GOVERNMENT**

—X—

**AGRICULTURE AND COOPERATION DEPARTMENT**

**(Horti.& Seri)**

AREA EXPANSION OF OIL PALM CULTIVATION– ALLOTMENT OF FACTORY ZONES TO COMPANIES FOR NEWLY IDENTIFIED AREAS IN 25 DISTRICTS IN TELANGANA STATE.

***[G.O.Ms. No. 60, Agriculture and Cooperation (Horti.& Seri), 16<sup>th</sup> December, 2020.]***

In exercise of the powers conferred by section 11 of the Telangana Oil Palm (Regulation of Production and Processing) Act, 1993 (Act No.3 of 1993), the Government of Telangana hereby allot the following Factory zones of newly identified 25 districts of Telangana State as per the potential area notified by the Government of India to the companies/firms/co-operatives indicated against the Districts to take up Oil Palm cultivation/area expansion and for establishment of Oil Palm Processing Units in the territorial jurisdiction of the respective area:-

S.No.	District/Factory Zone	Potential area notified by Gol in (ha)	Companies/Firms/Co-operatives
(1)	(2)	(3)	(4)
1	Narayanpet	5000	M/s. Telangana State Co-operative Oilseeds Growers' Federation Limited
2	Jogulamba Gadwal	3000	
3	Bhadradi Kothagudem (Except the mandals in which M/s Godrej Agrovet Ltd., is already operating)	1800	
4	Mahabubabad	28164	M/s. Godrej Agrovet Limited
5	Suryapet (Except the Mandals in which TS Oilfed is already operating)	11300	M/s. Ruchi Soya Industries Limited
6	Nalgonda	7738	
7	Karimnagar	17811	M/s. Patanjali Ayurved Limited
8	Jagityal	13035	
9	Adilabad	15000	M/s. Navabharat Limited
10	Kumarambheem Asifabad	12221	
11	Siddipet	20234	M/s. 3F Oil Palm Private Limited
12	Jangaon	7400	
13	Mancherial	12800	M/s. Matrix Security and Surveillance Private Limited and M/s. Sri Srinivasa Palm Oil Mill Consortium
14	Nirmal	33520	M/s. Pre Unique (India) Private Limited (JV formed as FGV-PU (India) Pvt. Limited with FGV group of Malaysia)
15	Nizamabad	22218	
16	Wanaparthy	5000	
17	Nagarkurnool	5000	
18	Rajanna Sircilla	3400	
19	Mahabubnagar	2000	
20	Peddapally	18069	M/s. Tirumala Oil Chem India Private Limited
21	Warangal (R)	23118	M/s. Ramcharan Oil Industries
22	Warangal (U)	5600	M/s. KN Biosciences (India) Private Limited
23	Mulugu	10000	M/s. Chidrupi Financial Services Limited
24	Kamareddy	26337	M/s. Vishwa Agro Tech
25	Bhupalapally	19900	M/s. GM Reddy Cotton Industries Private Limited

2. The companies/firms/co-operatives for whom the districts are allotted above shall be subject to the following conditions:-

- The companies/firms/co-operatives notified above shall make their own arrangements for obtaining permissions/licenses from the authorities concerned in respect of water utilization, Environmental Pollution, Electricity, approval of Gram Panchayat / Municipality clearance etc. The Government is not responsible for obtaining those permissions/licenses.
- The allotted companies/firms/co-operatives shall establish & commission a fully operational processing unit in the factory zone within (36) months of first plantation.

- iii) The companies/firms/co-operatives to whom the allotment is made shall not change the name of their company at any time before closure of their operation and without prior approval of the Government. If the companies/firms/co-operatives change their name at any time before closure of its operation without the prior approval of the Government, the facilities provided by the Government to such companies/firms/co-operatives shall be withdrawn without giving any prior notice.
- iv) The allotted companies/firms/co-operatives shall enter into an agreement with the Oil Palm Commissioner/ Commissioner of Horticulture/ Director of Horticulture before commencement of the work of their oil palm processing units and abide by the terms and conditions prescribed there in the Memorandum of Agreement annexed to this order.
- v) After allotment of factory zone by the Government the companies/firms/co-operatives shall enter into a Memorandum of Agreement duly paying the requisite Earnest Money Deposit (EMD) within 15 working days from the date of issue of orders on allotment of factory zone failing which the allotment to the said companies/firms/co-operatives is deemed to be cancelled without any further notice and the same shall be allotted to another company by the Govt.

The Director of Horticulture, Hyderabad shall take further action accordingly.

This order issues with the concurrence of Finance (EBS.II) Department vide their U.O.No.877739-A/284/A1/EBS.II/2020, Dated:15.12.2020.

**Dr. B. JANARDHAN REDDY**  
*APC & Principal Secretary to Government.*

**ANNEXURE****MEMORANDUM OF AGREEMENT FOR OIL PALM FACTORY ZONE ALLOTMENT**

This Agreement is made on this .....day of .....2020 at

**BETWEEN**

The Governor of Telangana represented by the Commissioner of Horticulture/ Director of Horticulture / Oil palm Commissioner, Government of Telangana (herein after referred to as Government which expression shall mean and include its successors/representatives) on the First part.

**AND**

..... (herein after referred to as "occupier of the Factory" which expression shall mean and include its Administrators, assignees, owners and successors) on the Second part.

Whereas, the Oil palm new area expansion programme for Oil Palm Development in the State of Telangana, has been approved by the Government of India and is being implemented by the State Government in the Potential districts of the State of Telangana herein after called the "Oil palm area expansion Project Area".

And Whereas, the State Government has allotted the districts to various Companies/Firms/Co-operatives as per the potential area notified by the Government of India to take up Oil Palm area expansion and for establishment of Oil Palm Processing Units.

And whereas, in order to avail the benefits under the project and to implement the project in accordance with the provisions of section 11 of the Telangana Oil Palm (Regulation of Production and Processing) Act, 1993 (Act No.3 of 1993); and the rules made thereunder and to comply with the directions of the State Government from time to time.

**Now, therefore, the occupier of the Factory hereby undertakes: -**

Covering the establishment and functioning of the processing unit, development of oil palm nursery, etc., with farmers who are interested to take up oilpalm plantation under assured irrigation facility and fencing.

- (1) To prepare a detailed project report duly conducting Micro Level Survey and submit to the Government within one month time of signing of the agreement.
- (2) To bring under cultivation through Oil Palm growers an area of \_\_\_\_\_ ha in their factory Zone as per the schedule mentioned below:-

**Oil palm Plan of plantation in 4 years period**

Sl.No.	District	Notified area (Ha.)	Area Proposed for cultivation		Remarks
			Year	Extent in (Ha.)	
(1)	(2)	(3)	(4)	(5)	(6)
	<b>Total</b>				

(3) For every 1000 acres of proposed planted area, one technically qualified person having B.Sc. Horticulture/Agriculture or Diploma Horticulture/Agriculture has to be recruited & experience should be given preference.

(4) The allotted company should raise oil palm nurseries at its own cost with indigenous or imported oil palm seed sprouts following the due procedure with registration of nursery under Nursery Act of Telangana State with Department of Horticulture, Government of Telangana. The allotted company has to arrange distribution of oil palm quality seedlings of 10-12 months age/ 10-12 leaves stage to the farmers in the area allotted to them as per the list of the farmers and the price fixed by the Oil palm Commissioner/ Commissioner of Horticulture/ Director of Horticulture, Government of Telangana from time to time.

The subsidy will be reimbursed to the company by Government as per the allocations and releases under relevant schemes as and when funds received from Government. But the plantation has to be completed with required inputs as prescribed by the Government of India/ State Government without waiting for fund release.

(5) To establish Oil Palm nurseries for providing seedlings to the Oil Palm growers as per schedule mentioned below at Registered nursery under Nursery Act:-

**(a) Indigenous Seed Sprouts Oil Palm Nursery**

Sl.No	District & Mandal	Seed Nursery Area (in Ha.)	Nursery registration number	Year of Production	No. of seedlings to be raised in prescribed bags (in lakhs)
(1)	(2)	(3)	(4)	(5)	(6)

**(b) Imported Seed Sprouts Oil Palm Nursery**

Sl.No	District & Mandal	Seed Nursery Area in Ha.	Nursery registration number	Year of Production	No. of seedlings to be raised in prescribed bags (in lakhs)
(1)	(2)	(3)	(4)	(5)	(6)

G-657/2.

(6)

- (a) Identification of nursery site to be within the allocated district/ cluster of districts. The area of nursery to be one acre for 10,000 seedlings is a must.
- (b) The shadenet house of 2600 sq.m with 50% mono x mono, 130 GSM shadenet with 13-14 feet height for one lakh seedlings primary nursery (5 months).
- (c) The nursery should be raised as per Indian Institute of Oil palm Research (IOPR) guidelines.
- (d) The technical graduates who are having good experience in raising of nursery is compulsory to look after nursery activity.

On according the permission by the Oil palm Commissioner/ Commissioner of Horticulture / Director of Horticulture, Government of Telangana, to get the seed sprouts to be imported and allotment made by the Indian Institute of Oil palm Research (IOPR), Pedavegi for the seed sprouts indigenously developed, the occupier of the factory zone should maintain the records and supply schedule and area to be covered with details of farmers to whom supplies are made, under intimation to Oil palm Commissioner/ Commissioner of Horticulture / Director of Horticulture and District Horticulture & Sericulture Officer of the District.

- (7) To establish Oil Palm processing units comprising Oil mill/Refinery/Fractionation units of \_\_\_\_\_ capacity respectively as per the schedule given below:-

Sl. No.	Proposed district for establishing processing unit	Name of the Unit / Firm	Capacity in MTs / Hour	Year of Commissioning	Area allotted for factory (Ha)
(1)	(2)	(3)	(4)	(5)	(6)

- (a) the allotted company should deposit an Earnest Money Deposit (EMD) of Rs.30.00 lakhs to whom the district/s allotted with potential area upto 50,000 acres and Rs.50.00 lakhs for companies to whom the district/s allotted with potential area of above 50,000 acres by way of demand draft drawn in favour of Commissioner of Horticulture, Government of Telangana on the date of signing the Memorandum of Agreement (MOA);
- (b) The allotted Companies shall establish & commission a fully operational processing unit in the factory zone within 36 months of first plantation from date of plantation of first farmer in the allotted district.
- (c) The allotted company should bear all the investment on its own cost for purchase of land, setting up of processing unit, obtaining other licences etc. The Department of Horticulture will not provide any loans and subsidies for setting up of processing units;
- (d) To enhance the capacity of the CPO unit and refinery with the due approval of Commissioner/ Director of Horticulture, Government of Telangana in confirmation with the proposed area under Oil Palm from time to time;

- (e) Change of name/ Transfer of company, after entering into MOA with the Oil palm Commissioner/ Commissioner of Horticulture /Director of Horticulture, Government of Telangana, the occupier of the Factory shall pay a transfer fee of Rs.1,00,000/- (Rupees one lakh only) which is non-refundable and it needs prior permission from Government of Telangana. Failure to comply with this leads to forfeiture of EMD and cancellation of factory zone;
- (8) To identify and finalize the site for location of the processing unit within two months period from the date of receipt of final order of allotment of Zones. The details may be intimated to Oil palm Commissioner/ Commissioner of Horticulture / Director of Horticulture.
- (9) To submit to the State Government a detailed Programme Evaluation Review Technical chart for establishing the processing unit within one month after identification of site for location of the plant.
- (10) To organize and arrange credit facilities to oil palm growers in that particular factory zone through banks/cooperatives/firms etc. is the responsibility of firm.
- (a) The occupier of the factory shall necessarily open their input outlets within their factory zone for easy access to the oil palm growers to distribute fertilizers, pesticides and other relevant inputs duly obtaining all required licenses which are mandatory from the concerned authorities.
- (11) To provide technical guidance to Oil Palm growers in Factory zone for raising Oil Palm Plantation and maintenance of gardens and harvesting of quality Fresh Fruit Bunches (FFBs) is the responsibility of company.
- (a) To recruit adequate qualified technical staff of the subjects concerned in coordination with the Department of Horticulture basing on the guidelines of the Government of Telangana for the implementation of Oil Palm Development Programme cluster wise within the district for effective technical guidance from time to time.
- (b) They should conduct a series of field oriented training programmes/ exposure trips by obtaining the help of experts in Oil Palm and disseminate the technical know-how with books/pamphlets/literature/CDs/audio-visual aids from time to time to the oil palm growers and the same schedule to be informed to the Commissioner/ Director of Horticulture for information as and when such events organized.
- (12) The allotted company should ensure that the following incentives are provided to the farmers by the Department of Horticulture for Development of Oil Palm Crop, which may change from time to time
- (i) Plant material subsidy is provided @ 85% of the cost limited to Rs.12,000/- (Rupees Twelve Thousand only) per ha. to accommodate 150 plants per ha including gap Filling;
- (ii) Cultivation subsidy at the rate of Rs.20,000/- (Rupees Twenty Thousand only) per ha. is being provided exclusively towards the cost of fertilizers during the gestation period of 4 years;
- (iii) Provide subsidy for drip system to oil palm as per the guidelines communicated by the Government from time to time.

These scheme guidelines are liable for change. Government does not give any guarantee regarding the continuation of this scheme format for an indefinite term.



- (13) To ensure year round operations, the calendar of operations shall be informed through pamphlets / leaflets to the oil palm growers with latest package of practices for getting optimum yield in the local language and pest surveillance cell and required organic inputs to be developed by company for distribution to farmers.
- (14) To submit monthly progress reports of the project implementation to the Oil palm Commissioner/ Commissioner of Horticulture / Director of Horticulture under copy to the respective District Horticulture & Sericulture Officer of the District.
- (15) The occupier of the factory should submit to the Oil palm Commissioner/ Commissioner of Horticulture / Director of Horticulture all the relevant information and documents called by him from time to time to satisfy himself that the occupier of the factory is taking effective steps for:-
  - (i) Area Expansion
  - (ii) Setting up of Nursery
  - (iii) Setting up of Oil Mill
  - (iv) Setting up of Refinery

Failure to comply with the information, leads to the conclusion that the occupier of the factory is violating the terms and conditions of the Memorandum of Agreement made with the Oil palm Commissioner/ Commissioner of Horticulture / Director of Horticulture, Telangana and attracts forfeiture of deposit and cancellation of factory zone without assigning any reasons there for.

- (16) To adhere to the provisions of :-
  - (i) The Telangana Oil Palm (Regulation of Production and Processing) Act, 1993 (Act No.3 of 1993);
  - (ii) Oil Palm (Regulation of Production and Processing) Rules ;
  - (iii) Directions issued by State Government / Commissioner/Director of Horticulture from time to time for implementation of the project for the benefit of the oil palm growers.
- (17) The Occupier of the factory zone is responsible for purchase of Fresh Fruit Bunches from the existing plantations in their factory zone as per the rates fixed by the Government of Telangana from time to time.
- (18) The occupier of the factory zone to assure a minimum of 18.5% Oil Extraction Rate (OER) in the oil year or actual OER obtained, whichever is higher will be considered for fixation of Fresh Fruit Bunches price.
- (19) In case any occupier of the factory does not commence processing of oil extraction unit, within the time limit, they are supposed to purchase Fresh Fruit Bunches in that factory zone as per the rates fixed by the Government through their collection centers and arrange processing without suffering the farmers produce i.e. loss in weightage of Fresh Fruit Bunches. They are responsible for arranging collection centers in their respective factory zones and to arrange transportation of Fresh Fruit Bunches from collection centers to nearest processing units at their own cost.

If any farmer complains about non-lifting of Fresh Fruit Bunches by the company of allotted factory zone, the company is liable for a penalty of cost of twice the quantity of Fresh Fruit Bunches which is produced, harvested and weighed at farmers field. The Horticulture Officer/District Horticulture & Sericulture Officer will issue notice accordingly and will take action for credit of same cost in to the farmers account. Any violation of the above terms and conditions, leads to forfeiture of Earnest Money Deposit and cancellation of factory zone.



All the field staff of nursery/extension are to be trained at IOPR compulsorily for 15 days.

In consideration of the undertaking given as above by the occupier of the factory, the State Government accepts the same.

IN WITNESS WHERE OF, the aforementioned parties have affixed their signatures and seal on the date, month and year first above written.

Signed by \_\_\_\_\_

Signed by \_\_\_\_\_

\_\_\_\_\_  
For and on behalf of the  
Government of Telangana

\_\_\_\_\_  
For and on behalf of the occupier  
of the Factory

Place:

Place:

Date:

Date:

WITNESS

WITNESS

1)

1)

2)

2)

—x—